

McDOWELL & GILLMAN, P.C.

ATTORNEY AT LAW
TWELFTH FLOOR
50 WEST BROADWAY
SALT LAKE CITY, UTAH 84101
E-MAIL: LRMCG@USWEST.NET

PHONE: (801) 359-3500
FAX: (801) 359-3566

LESLIE J. RANDOLPH

April 10, 2001

Michael Cetraro and Carol Nelson
1547 Virginia Dale
Helena, MT 59601
and
76-6296 Leone Street
Kailua-Kona, HI 96740

Re: *Royal Aloha Coffee, Tea & Spice, Co., Inc., Bankruptcy Case No. 99A-24191*

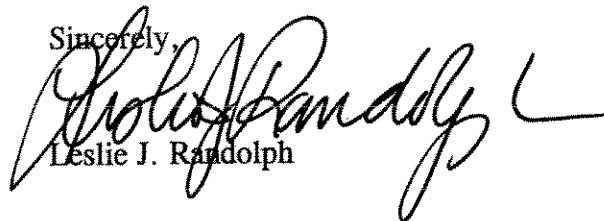
Dear Mr. Cetraro and Ms. Nelson:

The law firm of McDowell & Gillman, P.C. is acting as attorneys for J. Kevin Bird, trustee of the chapter 7 bankruptcy estate of Royal Aloha Coffee, Tea & Spice, Co., Inc.

The trustee has located and analyzed records of Royal Aloha's business transactions. These records show that Royal Aloha transferred a license valued at \$50,000 and made payments to you in the amount of \$7,358.07 without Royal Aloha receiving reasonably equivalent value in exchange therefor.

The Bankruptcy Code characterizes such payments as fraudulent transfers under 11 U.S.C. § 544. Fraudulent transfers are recoverable by the chapter 7 trustee. **As such, this letter is a demand for your payment of \$57,358.07, the amount of fraudulent transfers only, to J. Kevin Bird, Trustee of the Royal Aloha estate. The payment should be made on or before April 24, 2001. Absent payment or documentary proof that the payment is not recoverable, the trustee will file a civil action to recover the funds. Any additional claims the trustee may have against you are hereby reserved.**

Sincerely,



Leslie J. Randolph

pc: J. Kevin Bird

aws11500-RoyalDemandCetraro-Nelson